

Form 1040

Department of the Treasury—Internal Revenue Service (99)
U.S. Individual Income Tax Return

2016

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space

For the year Jan. 1-Dec. 31, 2016, or other tax year beginning

, 2016, ending

, 20

See separate instructions

Your first name and initial Bernard	Last name Sanders	Your social security number [REDACTED]
If a joint return, spouse's first name and initial Jane O.	Last name Sanders	Spouse's social security number [REDACTED]
Home address (number and street). If you have a P.O. box, see instructions. [REDACTED]		Apt. no. [REDACTED] Make sure the SSN(s) above and on line 6c are correct.
City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). [REDACTED]		
Foreign country name [REDACTED]	Foreign province/state/county [REDACTED]	Foreign postal code [REDACTED]

Presidential Election Campaign
Check here if you, or your spouse, if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund. You Spouse

Filing Status	1 <input type="checkbox"/> Single	4 <input type="checkbox"/> Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here ►
Check only one box:	2 <input checked="" type="checkbox"/> Married filing jointly (even if only one had income)	5 <input type="checkbox"/> Qualifying widow(er) with dependent child
	3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above and full name here ►	

Exemptions	6a <input checked="" type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a.	Boxes checked on 6a and 6b: <input type="checkbox"/>		
	b <input checked="" type="checkbox"/> Spouse	No. of children on 6c who: • lived with you • did not live with you due to divorce or separation (see instructions) <input type="checkbox"/>		
c Dependents:	(1) First name [REDACTED]	(2) Dependent's social security number [REDACTED]	(3) Dependent's relationship to you [REDACTED]	(4) <input checked="" type="checkbox"/> If child under age 17 qualifying for child tax credit (see instructions) <input type="checkbox"/>
If more than four dependents, see instructions and check here ► <input type="checkbox"/>	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
d Total number of exemptions claimed	2			

Income	7 Wages, salaries, tips, etc. Attach Form(s) W-2	7 137,033.
Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.	8a Taxable interest. Attach Schedule B if required	8a 139.
If you did not get a W-2, see instructions.	b Tax-exempt interest. Do not include on line 8a	8b [REDACTED]
	9a Ordinary dividends. Attach Schedule B if required	9a [REDACTED]
	b Qualified dividends	9b [REDACTED]
	10 Taxable refunds, credits, or offsets of state and local income taxes	10 88.
	11 Alimony received	11 [REDACTED]
	12 Business income or (loss). Attach Schedule C or C-EZ	12 7,99,535.
	13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ► <input type="checkbox"/>	13 [REDACTED]
	14 Other gains or (losses). Attach Form 4797	14 [REDACTED]
	15a IRA distributions 15a [REDACTED]	b Taxable amount [REDACTED]
	16a Pensions and annuities 16a [REDACTED]	b Taxable amount [REDACTED]
	17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17 [REDACTED]
	18 Farm income or (loss). Attach Schedule F	18 [REDACTED]
	19 Unemployment compensation	19 [REDACTED]
	20a Social security benefits 20a 51,145.	b Taxable amount [REDACTED]
	21 Other income. List type and amount	21 [REDACTED]
	22 Combine the amounts in the far right column for lines 7 through 21. This is your total income ►	22 1,073,333.

Adjusted Gross Income	23 Educator expenses	23 [REDACTED]
	24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24 [REDACTED]
	25 Health savings account deduction. Attach Form 8889	25 [REDACTED]
	26 Moving expenses. Attach Form 3903	26 [REDACTED]
	27 Deductible part of self-employment tax. Attach Schedule SE	27 10,707.
	28 Self-employed SEP, SIMPLE, and qualified plans	28 [REDACTED]
	29 Self-employed health insurance deduction	29 [REDACTED]
	30 Penalty on early withdrawal of savings	30 [REDACTED]
	31a Alimony paid b Recipient's SSN ►	31a [REDACTED]
	32 IRA deduction	32 [REDACTED]
	33 Student loan interest deduction	33 [REDACTED]
	34 Tuition and fees. Attach Form 8917	34 [REDACTED]
	35 Domestic production activities deduction. Attach Form 8903	35 [REDACTED]
	36 Add lines 23 through 35	36 10,707.
	37 Subtract line 36 from line 22. This is your adjusted gross income ►	37 1,062,626.

SCHEDULE A
(Form 1040)

Itemized Deductions

CMB-No.1545-0074

2016

Attachment
Sequence No. 07

Department of the Treasury
Internal Revenue Service (99)

► Information about Schedule A and its separate instructions is at www.irs.gov/schedulea.
► Attach to Form 1040.

Name(s) shown on Form 1040

Your social security number
[REDACTED]

Bernard & Jane O. Sanders

Caution: Do not include expenses reimbursed or paid by others.

Medical and Dental Expenses	1 Medical and dental expenses (see instructions)	1 2,046.	
	2 Enter amount from Form 1040, line 38 2 1,062,626.		
Taxes You Paid	3 Multiply line 2 by 10% (0.10). But if either you or your spouse was born before January 2, 1952, multiply line 2 by 7.5% (0.075) instead 3 79,697.	3 79,697.	
	4 Subtract line 3 from line 1. If line 3 is more than line 1, enter -0- 4 0.		
Interest You Paid	5 State and local (check only one box): a <input checked="" type="checkbox"/> Income taxes, or b <input type="checkbox"/> General sales taxes } 5 12,736.	5 12,736.	
	6 Real estate taxes (see instructions) 6 16,275.		
Note: Your mortgage interest deduction may be limited (see instructions).	7 Personal property taxes 7	7	
	8 Other taxes. List type and amount ► 8		
	9 Add lines 5 through 8 9	9 29,011.	
	10 Home mortgage interest and points reported to you on Form 1098 10 21,418.		
	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ► 11	11	
	12 Points not reported to you on Form 1098. See instructions for special rules 12		
	13 Mortgage insurance premiums (see instructions) 13	13	
	14 Investment interest. Attach Form 4952 if required. (See instructions.) 14		
	15 Add lines 10 through 14 15	15 21,418..	
	16 Gifts by cash or check. If you made any gift of \$250 or more, see instructions 16 10,600..		
	17 Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500 17	17	
	18 Carryover from prior year 18		
	19 Add lines 16 through 18 19	19 10,600.	
	20 Casualty or theft loss(es). Attach Form 4684. (See instructions.) 20		
Job Expenses and Certain Miscellaneous Deductions	21 Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ► Employee business expenses 21 1,145.	21 1,145.	
	22 Tax preparation fees 22 900.		
	23 Other expenses—investment, safe deposit box, etc. List type and amount ► 23	23	
	24 Add lines 21 through 23 24 2,045.		
	25 Enter amount from Form 1040, line 38 25 1,062,626.	25 1,062,626.	
	26 Multiply line 25 by 2% (0.02) 26 21,253..		
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0- 27		
	28 Other—from list in instructions. List type and amount ► 28		
Total Itemized Deductions	29 Is Form 1040, line 38, over \$155,650? <input type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. <input checked="" type="checkbox"/> Yes. Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.	29 38,489..	
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here ► <input type="checkbox"/>		

SCHEDULE C
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Business

(Sole Proprietorship)

OMB No. 1545-0074

2016

Attachment
Sequence No. 09

► Information about Schedule C and its separate instructions is at www.irs.gov/schedulec.
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor	Social security number (SSN) [REDACTED]
Bernard, Sanders	
A Principal business or profession, including product or service (see instructions) VEDA Commissioner	B Enter code from instructions: ► 9 9 9 9 9 9
C Business name. If no separate business name, leave blank.	D Employer ID number (EIN) (see instr.) [REDACTED]
E Business address (including suite or room no.) ► City, town or post office, state, and ZIP code [REDACTED]	
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ►	
G Did you "materially participate" in the operation of this business during 2016? If "No," see instructions for limit on losses ► [REDACTED] <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
H If you started or acquired this business during 2016, check here ► [REDACTED] <input type="checkbox"/>	
I Did you make any payments in 2016 that would require you to file Form(s) 1099? (see instructions) ► [REDACTED] <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
J If "Yes," did you or will you file required Forms 1099? ► [REDACTED] <input type="checkbox"/> Yes <input type="checkbox"/> No	

Part I Income

1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked ► <input type="checkbox"/>	1 156.
2 Returns and allowances	2
3 Subtract line 2 from line 1	3 156.
4 Cost of goods sold (from line 42)	4
5 Gross profit. Subtract line 4 from line 3	5 156.
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6
7 Gross income. Add lines 5 and 6 ► 7	7 156.

Part II Expenses Enter expenses for business use of your home only on line 30.

8 Advertising	8	18 Office expense (see instructions)	18
9 Car and truck expenses (see instructions)	9	19 Pension and profit-sharing plans	19
10 Commissions and fees	10	20 Rent or lease (see instructions): a Vehicles, machinery, and equipment	20a
11 Contract labor (see instructions)	11	b Other business property	20b
12 Depletion	12	21 Repairs and maintenance	21
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	22 Supplies (not included in Part III)	22
14 Employee benefit programs (other than on line 19)	14	23 Taxes and licenses	23
15 Insurance (other than health)	15	24 Travel, meals, and entertainment: a Travel	24a
16 Interest: a Mortgage (paid to banks, etc)	16a	b Deductible meals and entertainment (see instructions)	24b
b Other	16b	25 Utilities	25
17 Legal and professional services	17	26 Wages (less employment credits)	26
28 Total expenses before expenses for business use of home. Add lines 8 through 27a ►	28	27a Other expenses (from line 48)	27a
29 Tentative profit or (loss). Subtract line 28 from line 7	29 156.	b Reserved for future use	27b

30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions).

Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30.

31 Net profit or (loss). Subtract line 30 from line 29.

- If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3.
- If a loss, you must go to line 32.

32 If you have a loss, check the box that describes your investment in this activity (see instructions).

- If you checked 32a, enter the loss on both Form 1040, line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3.
- If you checked 32b, you must attach Form 6198. Your loss may be limited.

32a All investment is at risk.
32b Some investment is not at risk.

Part III Cost of Goods Sold (see instructions)

33 Method(s) used to value closing inventory: a Cost b Lower of cost or market c Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation. Yes No

35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation. 35

36 Purchases less cost of items withdrawn for personal use. 36

37 Cost of labor. Do not include any amounts paid to yourself. 37

38 Materials and supplies. 38

39 Other costs. 39

40 Add lines 35 through 39. 40

41 Inventory at end of year. 41

42 Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4. 42

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ► _____

44 Of the total number of miles you drove your vehicle during 2016, enter the number of miles you used your vehicle for:

a Business b Commuting (see instructions) c Other

45 Was your vehicle available for personal use during off-duty hours? Yes No

46 Do you (or your spouse) have another vehicle available for personal use? Yes No

47a Do you have evidence to support your deduction? Yes No

b If "Yes," is the evidence written? Yes No

Part V Other Expenses. List below business expenses not included on lines 8–26 or line 30.

48 Total other expenses. Enter here and on line 27a.	48
--	----

Name of person with self-employment income (as shown on Form 1040 or Form 1040NR)

Social security number of person with self-employment income ► [REDACTED]

Bernard Sanders

Section B—Long Schedule SE**Part I Self-Employment Tax**

Note. If your only income subject to self-employment tax is church employee income, see instructions. Also see instructions for the definition of church employee income.

A If you are a minister, member of a religious order, or Christian Science practitioner and you filed Form 4361, but you had \$400 or more of other net earnings from self-employment, check here and continue with Part I ►

1a Net farm profit or (loss) from Schedule F, line 34, and farm partnerships; Schedule K-1 (Form 1065), box 14, code A. **Note.** Skip lines 1a and 1b if you use the farm optional method (see instructions)

b If you received social security retirement or disability benefits, enter the amount of Conservation Reserve Program payments included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code Z

2 Net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1. Ministers and members of religious orders, see instructions for types of income to report on this line. See instructions for other income to report. **Note.** Skip this line if you use the nonfarm optional method (see instructions).

3 Combine lines 1a, 1b, and 2.

4a If line 3 is more than zero, multiply line 3 by 92.35% (0.9235). Otherwise, enter amount from line 3
Note. If line 4a is less than \$400 due to Conservation Reserve Program payments on line 1b, see instructions.

b If you elect one or both of the optional methods, enter the total of lines 15 and 17 here.

c Combine lines 4a and 4b. If less than \$400, stop; you do not owe self-employment tax.

Exception. If less than \$400 and you had church employee income, enter -0- and continue ►

5a Enter your church employee income from Form W-2. See instructions for definition of church employee income

5a

b Multiply line 5a by 92.35% (0.9235). If less than \$100, enter -0-

6 Add lines 4c and 5b

7 Maximum amount of combined wages and self-employment earnings subject to social security tax or the 6.2% portion of the 7.65% railroad retirement (tier 1) tax for 2016

2 799,535.

3 799,535.

4a 738,371.

4b

4c 738,371.

5b 0.

6 738,371.

7 118,500 00

8a Total social security wages and tips (total of boxes 3 and 7 on Form(s) W-2) and railroad retirement (tier 1) compensation. If \$118,500 or more, skip lines 8b through 10, and go to line 11

8a 118,500.

b Unreported tips subject to social security tax (from Form 4137, line 10)

8b

c Wages subject to social security tax (from Form 8919, line 10)

8c

d Add lines 8a, 8b, and 8c

8d

9 Subtract line 8d from line 7. If zero or less, enter -0- here and on line 10 and go to line 11 ►

9

10 Multiply the smaller of line 6 or line 9 by 12.4% (0.124)

10

11 Multiply line 6 by 2.9% (0.029)

11 21,413.

12 Self-employment tax. Add lines 10 and 11. Enter here and on Form 1040, line 57, or Form 1040NR, line 55

12 21,413.

13 Deduction for one-half of self-employment tax.

Multiply line 12 by 50% (0.50). Enter the result here and on

Form 1040, line 27, or Form 1040NR, line 27

13

10,707.

Part II Optional Methods To Figure Net Earnings (see instructions)

Farm Optional Method. You may use this method only if (a) your gross farm income¹ was not more than \$7,560, or (b) your net farm profits² were less than \$5,457.

14

5,040 00

14 Maximum income for optional methods

15

15 Enter the smaller of: two-thirds (2/3) of gross farm income¹ (not less than zero) or \$5,040. Also include this amount on line 4b above

Nonfarm Optional Method: You may use this method only if (a) your net nonfarm profits³ were less than \$5,457 and also less than 72.189% of your gross nonfarm income,⁴ and (b) you had net earnings from self-employment of at least \$400 in 2 of the prior 3 years. **Caution.** You may use this method no more than five times.

16

16 Subtract line 15 from line 14

17

17 Enter the smaller of: two-thirds (2/3) of gross nonfarm income⁴ (not less than zero) or the amount on line 16. Also include this amount on line 4b above

¹ From Sch. F, line 9, and Sch. K-1 (Form 1065), box 14, code B.

² From Sch. F, line 34, and Sch. K-1 (Form 1065), box 14, code A—minus the amount you would have entered on line 1b had you not used the optional method.

³ From Sch. C, line 31; Sch. C-EZ, line 3; Sch. K-1 (Form 1065), box 14, code A; and Sch. K-1 (Form 1065-B), box 9, code J1.

⁴ From Sch. C, line 7; Sch. C-EZ, line 1; Sch. K-1 (Form 1065), box 14, code C; and Sch. K-1 (Form 1065-B), box 9, code J2.

SCHEDULE C
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Business

(Sole Proprietorship)

OMB No. 1545-0074

2016

Attachment
Sequence No. 09

► Information about Schedule C and its separate instructions is at www.irs.gov/schedulec.
► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor

Bernard Sanders

Social security number (SSN)

[REDACTED]

A Principal business or profession, including product or service (see instructions):
Recording Artist

B Enter code from instructions:

► 7 | 1 | 1 | 5 | 1 | 0

C Business name. If no separate business name, leave blank.
Bernard Sanders

D Employer ID number (EIN), (see instr.)

[REDACTED]

E Business address (including suite or room no.) ►
City, town or post office, state, and ZIP code [REDACTED]

F Accounting method: (1) Cash (2) Accrual (3) Other (specify) ►

G Did you "materially participate" in the operation of this business during 2016? If "No," see instructions for limit on losses. Yes No

H If you started or acquired this business during 2016, check here ►

I Did you make any payments in 2016 that would require you to file Form(s) 1099? (see instructions) Yes No

J If "Yes," did you or will you file required Forms 1099? Yes No

Part I Income

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked.	► <input type="checkbox"/>	1	2,521.
2	Returns and allowances		2	
3	Subtract line 2 from line 1		3	2,521.
4	Cost of goods sold (from line 42)		4	
5	Gross profit. Subtract line 4 from line 3		5	2,521.
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)		6	
7	Gross income. Add lines 5 and 6	►	7	2,521.

Part II Expenses. Enter expenses for business use of your home **only** on line 30.

8	Advertising	8	18	Office expense (see instructions)
9	Car and truck expenses (see instructions)	9	19	Pension and profit-sharing plans
10	Commissions and fees	10	20	Rent or lease (see instructions):
11	Contract labor (see instructions)	11	a	Vehicles, machinery, and equipment
12	Depletion	12	b	Other business property
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	21	Repairs and maintenance
14	Employee benefit programs (other than on line 19)	14	22	Supplies (not included in Part III)
15	Insurance (other than health)	15	23	Taxes and licenses
16	Interest:		24	Travel, meals, and entertainment:
a	Mortgage (paid to banks, etc.)	16a	a	Travel
b	Other	16b	b	Deductible meals and entertainment (see instructions)
17	Legal and professional services	17	25	Utilities
28	Total expenses before expenses for business use of home. Add lines 8 through 27a		28	
29	Tentative profit or (loss). Subtract line 28 from line 7		29	2,521.
30	Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions).			

Simplified method filers only: enter the total square footage of: (a) your home:

and (b) the part of your home used for business: _____ Use the Simplified

Method Worksheet in the instructions to figure the amount to enter on line 30

31 Net profit or (loss). Subtract line 30 from line 29.

• If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3.

• If a loss, you must go to line 32.

32 If you have a loss, check the box that describes your investment in this activity (see instructions):

• If you checked 32a, enter the loss on both Form 1040, line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3.

• If you checked 32b, you must attach Form 6198. Your loss may be limited.

32a All investment is at risk.

32b Some investment is not at risk.

Part III Cost of Goods Sold (see instructions)

33	Method(s) used to value closing inventory:	a <input type="checkbox"/> Cost	b <input type="checkbox"/> Lower of cost or market	c <input type="checkbox"/> Other (attach explanation)
34	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation			
	<input type="checkbox"/> Yes <input type="checkbox"/> No			
35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation			
36	Purchases less cost of items withdrawn for personal use			
37	Cost of labor. Do not include any amounts paid to yourself			
38	Materials and supplies			
39	Other costs			
40	Add lines 35 through 39			
41	Inventory at end of year			
42	Cost of goods sold. Subtract line 41 from line 40. Enter the result here, and on line 4			

Part IV **Information on Your Vehicle.** Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ► _____

44 Of the total number of miles you drove your vehicle during 2016, enter the number of miles you used your vehicle for:

a Business _____ b Commuting (see instructions) _____ c Other _____

45 Was your vehicle available for personal use during off-duty hours? Yes No

46 Do you (or your spouse) have another vehicle available for personal use? Yes No

47a Do you have evidence to support your deduction? Yes No

b If "Yes," is the evidence written? Yes No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

SCHEDULE C
(Form 1040)

Profit or Loss From Business

(Sole Proprietorship)

Department of the Treasury
Internal Revenue Service 2018

CIRC No. 1543-0204

16

Attached
Reference No. 00

Name of proprietor

Bernard Landau

A Principal business or profession, including product or service (see instructions)
Book Author

D Enter code from instructions

1 2 3 4 5

C Business name, if no separate business name, leave blank.

E Employer ID number (SSN), last four digits

E Business address (including house or room no.) ► [REDACTED]

City, town or post office, state, and ZIP code

F Accounting method: (1) Cash Accrual Other (check) ►

Yes No

G Did you "materially participate" in the operation of this business during 2018? If "No," see instructions for limit on losses

Yes No

H If you started or acquired this business during 2018, check here ►

Yes No

I Did you make any payments in 2018 that would require you to file Form 1099? (see instructions)

Yes No

J If "Yes," did you or will you file Form 1099? ►

Part I Income

- 1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked. ► **1** **\$40,485.**
- 2 Returns and allowances
- 3 Subtraction 2 from line 1
- 4 Cost of goods sold (from line 4a)
- 5 Gross profit. Subtract line 4 from line 3
- 6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)
- 7 Gross income. Add lines 5 and 6

1	\$40,485.
2	
3	\$40,485.
4	
5	\$40,485.
6	
7	\$40,485.

Part II Expenses. Enter expenses for business use of your home only on line 30.

Line	Amount	Description
8		Office expense (see instructions)
9		Pension and profit-sharing plans
10		Rent or lease (see instructions)
a		• Vehicles, machinery, and equipment
b		• Other business property
11	19,877.	Repairs and maintenance
12		Supplies (not included in Part III)
13		Taxes and licenses
14		Travel, meals, and entertainment
a		• Travel
b		• Deductible meals and entertainment (see instructions)
15		Lodging
a		• Wages (less employment credits)
b		• Other expenses (from line 4b)
16		Reserves for future use
17		Total expenses before expenses for business use of home. Add lines 8 through 27a
18		Net profit or loss. Subtract line 17 from line 7
19		Expenses for business use of your home. Do not report these expense elsewhere. Attach Form 4689 unless using the simplified method (see instructions)
20		Simplified method (line 19 only): enter the total square footage of all your home
21		and (b) the part of your home used for business. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 20
22		Net profit or loss. Subtract line 20 from line 21

- If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13); and on Schedule SE, line 2. If you checked the box on line 1, see instructions. Estates and trusts, enter on Form 1041, line 2.
- If a loss, you must go to line 22.
- 22 If you have a loss, check the box that describes your investment in this activity (see instructions).
 - If you checked 3(a), enter the loss on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. If you checked the box on line 1, see the line 31 instructions. Estates and trusts, enter on Form 1041, line 2.
 - If you checked 3(b), you must attach Form 6194. Your loss may be limited.

18	
19	
20	
a	
b	
21	
22	1,500.
23	
24	
a	
b	
24a	250.
25	
26	
27a	3,000.
27b	
28	41,627.
29	196,858.
30	
31	796,858.

line 20 All investment is at risk.
line 20 Some investment is not at risk.

Part III Cost of Goods Sold (no instructions)

<p>33. Merchandise used to value closing inventory: a. <input type="checkbox"/> Cost b. <input type="checkbox"/> Lower of cost or market c. <input type="checkbox"/> Other (attach explanation)</p> <p>34. Was there any change in determining quantities, costs, or valuations between opening and closing inventory? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," attach explanation</p> <p>35. Inventory at beginning of year. If different from last year's closing inventory, attach explanation</p> <p>36. Purchases less cost of items withdrawn for personal use</p> <p>37. Cost of labor. Do not include any amounts paid to yourself.</p> <p>38. Materials and supplies</p> <p>39. Other costs</p> <p>40. Add lines 35 through 39</p> <p>41. Inventory at end of year</p> <p>42. Cost of goods sold. Subtraction of item line 40. Enter that result here and on line 4</p>	<p>35</p> <p>36</p> <p>37</p> <p>38</p> <p>39</p> <p>40</p> <p>41</p> <p>42</p>
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Part IV Information on Your Vehicle. Complete this part only if you are claiming car or truck expenses on line 9, and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43. When did you place your vehicle in service for business purposes? (month, day, year)	►	
44. Of the total number of miles you drove your vehicle during 2011, enter the number of miles you used your vehicle for:		
a. Business	b. Commuting (see instructions)	c. Other
45. Was your vehicle available for personal use during off-duty hours?		
46. Do you or your spouse have another vehicle available for personal use?		
47a. Do you have evidence to support your deduction?		
b. If "yes," is this evidence written?		

Part V Other Expenses. List below business expenses not included on lines 8-20 or line 30.

8959Form Department of the Treasury
Internal Revenue Service**Additional Medicare Tax**

OMB No. 1545-0074

2016Attachment
Sequence No. 71

Name(s) shown on return

Bernard & Jane O' Sanders

Your social security number

► If any line does not apply to you, leave it blank. See separate instructions.
 ► Attach to Form 1040, 1040NR, 1040-PR, or 1040-SS.
 ► Information about Form 8959 and its instructions is at www.irs.gov/form8959.

Part I Additional Medicare Tax on Medicare Wages

- 1 Medicare wages and tips from Form W-2, box 5. If you have more than one Form W-2, enter the total of the amounts from box 5. **1** 161,033.
- 2 Unreported tips from Form 4137, line 6. **2**
- 3 Wages from Form 8919, line 6. **3**
- 4 Add lines 1 through 3. **4** 161,033.
- 5 Enter the following amount for your filing status:
 Married filing jointly \$250,000
 Married filing separately \$125,000
 Single, Head of household, or Qualifying widow(er) \$200,000. **5** 250,000.
- 6 Subtract line 5 from line 4. If zero or less, enter -0-. **6** 0.
- 7 Additional Medicare Tax on Medicare wages. Multiply line 6 by 0.9% (0.009). Enter here and go to Part II. **7** 0.

1	161,033.	
2		
3		
4	161,033.	
5	250,000.	
6	0.	
7	0.	

Part II Additional Medicare Tax on Self-Employment Income

- 8 Self-employment income from Schedule SE (Form 1040), Section A, line 4, or Section B, line 6. If you had a loss, enter -0- (Form 1040-PR and Form 1040-SS filers, see instructions.) **8** 738,371.
- 9 Enter the following amount for your filing status:
 Married filing jointly \$250,000
 Married filing separately \$125,000
 Single, Head of household, or Qualifying widow(er) \$200,000. **9** 250,000.
- 10 Enter the amount from line 4. **10** 161,033.
- 11 Subtract line 10 from line 9. If zero or less, enter -0-. **11** -88,967.
- 12 Additional Medicare Tax on self-employment income. Multiply line 12 by 0.9% (0.009). Enter here and go to Part III. **12** 649,404.
- 13 Additional Medicare Tax on self-employment income. Multiply line 12 by 0.9% (0.009). Enter here and go to Part III. **13** 5,845.

8	738,371.	
9	250,000.	
10	161,033.	
11	-88,967.	
12	649,404.	
13	5,845.	

Part III Additional Medicare Tax on Railroad Retirement Tax Act (RRTA) Compensation

- 14 Railroad retirement (RRTA) compensation and tips from Form(s) W-2, box 14 (see instructions) **14**
- 15 Enter the following amount for your filing status:
 Married filing jointly \$250,000
 Married filing separately \$125,000
 Single, Head of household, or Qualifying widow(er) \$200,000. **15**
- 16 Subtract line 15 from line 14. If zero or less, enter -0-. **16**
- 17 Additional Medicare Tax on railroad retirement (RRTA) compensation. Multiply line 16 by 0.9% (0.009). Enter here and go to Part IV. **17**

14		
15		
16		
17		

Part IV Total Additional Medicare Tax

- 18 Add lines 7, 13, and 17. Also include this amount on Form 1040, line 62, (Form 1040NR, 1040-PR, and 1040-SS filers, see instructions) and go to Part V. **18** 5,845.

Part V Withholding Reconciliation

- 19 Medicare tax withheld from Form W-2, box 6. If you have more than one Form W-2, enter the total of the amounts from box 6. **19** 2,335.
- 20 Enter the amount from line 1. **20** 161,033.
- 21 Multiply line 20 by 1.45% (0.0145). This is your regular Medicare tax withholding on Medicare wages. **21** 2,335.
- 22 Subtract line 21 from line 19. If zero or less, enter -0-. This is your Additional Medicare Tax withholding on Medicare wages. **22** 0.
- 23 Additional Medicare Tax withholding on railroad retirement (RRTA) compensation from Form W-2, box 14 (see instructions). **23**
- 24 Total Additional Medicare Tax withholding. Add lines 22 and 23. Also include this amount with federal income tax withholding on Form 1040, line 64 (Form 1040NR, 1040-PR, and 1040-SS filers, see instructions). **24** 0.

Form 8960

Net Investment Income Tax— Individuals, Estates, and Trusts

OMB No. 1545-2227

2016

Attachment
Sequence No. 72Department of the Treasury
Internal Revenue Service (99)► Attach to your tax return.
► Information about Form 8960 and its separate instructions is at www.irs.gov/form8960.

Your social security number or EIN

Name(s) shown on your tax return

Bernard & Jane O Sanders

Part I Investment Income

- Section 6013(g) election (see instructions)
- Section 6013(h) election (see instructions)
- Regulations section 1.1411-10(g) election (see instructions)

1 Taxable interest (see instructions)	1	139.
2 Ordinary dividends (see instructions)	2	
3 Annuities (see instructions)	3	
4a Rental real estate, royalties, partnerships, S corporations, trusts, etc. (see instructions)	4a	
b Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business (see instructions)	4b	
c Combine lines 4a and 4b	4c	
5a Net gain or loss from disposition of property (see instructions)	5a	
b Net gain or loss from disposition of property that is not subject to net investment income tax (see instructions)	5b	
c Adjustment from disposition of partnership interest or S corporation stock (see instructions)	5c	
d Combine lines 5a through 5c	5d	
6 Adjustments to investment income for certain CFCs and PFICs (see instructions)	6	
7 Other modifications to investment income (see instructions)	7	0.
8 Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7	8	139.

Part II Investment Expenses Allocable to Investment Income and Modifications

9a Investment interest expenses (see instructions)	9a	
b State, local, and foreign income tax (see instructions)	9b	1.
c Miscellaneous investment expenses (see instructions)	9c	
d Add lines 9a, 9b, and 9c	9d	1.
10 Additional modifications (see instructions)	10	
11 Total deductions and modifications. Add lines 9d and 10	11	1.

Part III Tax Computation

12 Net investment income. Subtract Part II, line 11 from Part I, line 8. Individuals complete lines 13–17. Estates and trusts complete lines 18a–21. If zero or less, enter -0-	12	138.
Individuals:		
13 Modified adjusted gross income (see instructions)	13	1,062,626.
14 Threshold based on filing status (see instructions)	14	250,000.
15 Subtract line 14 from line 13. If zero or less, enter -0-	15	812,626.
16 Enter the smaller of line 12 or line 15	16	138.
17 Net investment income tax for individuals. Multiply line 16 by 3.8% (.038). Enter here and include on your tax return (see instructions)	17	5.
Estates and Trusts:		
18a Net investment income (line 12 above)	18a	
b Deductions for distributions of net investment income and deductions under section 642(c) (see instructions)	18b	
c Undistributed net investment income. Subtract line 18b from 18a (see instructions). If zero or less, enter -0-	18c	
19a Adjusted gross income (see instructions)	19a	
b Highest tax bracket for estates and trusts for the year (see instructions)	19b	
c Subtract line 19b from line 19a. If zero or less, enter -0-	19c	
20 Enter the smaller of line 18c or line 19c	20	
21 Net investment income tax for estates and trusts. Multiply line 20 by 3.8% (.038). Enter here and include on your tax return (see instructions)	21	

Form 8582

Passive Activity Loss Limitations

OMB No. 1545-1008

2016Attachment
Sequence No. 88Department of the Treasury
Internal Revenue Service (99)► See separate instructions.
► Attach to Form 1040 or Form 1041.
► Information about Form 8582 and its instructions is available at www.irs.gov/form8582.

Name(s) shown on return

Bernard & Jane O. Sanders

Identifying number

Part I 2016 Passive Activity Loss

Caution: Complete Worksheets 1, 2, and 3 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see Special Allowance for Rental Real Estate Activities in the instructions.)

- 1a Activities with net income (enter the amount from Worksheet 1, column (a))
- 1b Activities with net loss (enter the amount from Worksheet 1, column (b))
- 1c Prior years unallowed losses (enter the amount from Worksheet 1, column (c))
- 1d Combine lines 1a, 1b, and 1c

1a	
1b	()
1c	()

1d

Commercial Revitalization Deductions From Rental Real Estate Activities

- 2a Commercial revitalization deductions from Worksheet 2, column (a)
- 2b Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)
- 2c Add lines 2a and 2b

2a	()
2b	()
2c	()

All Other Passive Activities

- 3a Activities with net income (enter the amount from Worksheet 3, column (a))
- 3b Activities with net loss (enter the amount from Worksheet 3, column (b))
- 3c Prior years unallowed losses (enter the amount from Worksheet 3, column (c))
- 3d Combine lines 3a, 3b, and 3c

3a	2,521.
3b	(0.)
3c	()

3d 2,521.

- 4 Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used

If line 4 is a loss and:

- Line 1d is a loss, go to Part II.
- Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
- Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, do not complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See instructions for an example.

- 5 Enter the smaller of the loss on line 1d or the loss on line 4
- 6 Enter \$150,000. If married filing separately, see instructions
- 7 Enter modified adjusted gross income, but not less than zero (see instructions)
- Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.
- 8 Subtract line 7 from line 6
- 9 Multiply line 8 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see instructions
- 10 Enter the smaller of line 5 or line 9

5	
6	
7	
8	
9	

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

- 11 Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions
- 12 Enter the loss from line 4
- 13 Reduce line 12 by the amount on line 10
- 14 Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13

11	
12	
13	
14	

Part IV Total Losses Allowed

- 15 Add the income, if any, on lines 1a and 3a and enter the total
- 16 Total losses allowed from all passive activities for 2016. Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return

15	
16	

Caution: The worksheets must be filed with your tax return. Keep a copy for your records.

Worksheet 1—For Form 8582, Lines 1a, 1b, and 1c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 1a, 1b, and 1c					

Worksheet 2—For Form 8582, Lines 2a and 2b (See instructions.)

Worksheet 2—For Form 8582, Lines 2a and 2b (See Instructions.)			
Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total: Enter on Form 8582; lines 2a and 2b			

Worksheet 3—For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 3a)	(b) Net loss (line 3b)	(c) Unallowed loss (line 3c)	(d) Gain	(e) Loss
Bernard Sanders	2,521.	0.		2,521.	
Total. Enter on Form 8582, lines 3a, 3b, and 3c	2,521.	0.			

Worksheet 4—Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Worksheet 4 Use this worksheet if an amount is shown on Form 8802, line 10 or 14 (see instructions.)					
Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total		►		1.00	

Worksheet 5—Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
Total		►	1.00	

Form 5695

Department of the Treasury
Internal Revenue Service

Residential Energy Credits

OMB No. 1545-0074

2016

Attachment
Sequence No. 158

Name(s) shown on return

Bernard & Jane O. Sanders

Your social security number [REDACTED]

► Information about Form 5695 and its separate instructions is at www.irs.gov/form5695.
 ► Attach to Form 1040 or Form 1040NR.

Part I Residential Energy Efficient Property Credit (See instructions before completing this part.)**Note:** Skip lines 1 through 11 if you only have a credit carryforward from 2015.

1	Qualified solar electric property costs	19,900.
2	Qualified solar water heating property costs	
3	Qualified small wind energy property costs	
4	Qualified geothermal heat pump property costs	
5	Add lines 1 through 4	19,900.
6	Multiply line 5 by 30% (0.30)	
7a	Qualified fuel cell property. Was qualified fuel cell property installed on or in connection with your main home located in the United States? (See instructions)	►

Caution: If you checked the "No" box, you cannot take a credit for qualified fuel cell property.
 Skip lines 7b through 11.

b Print the complete address of the main home where you installed the fuel cell property.

Number and street _____ Unit No. _____

City, State, and ZIP code _____

8	Qualified fuel cell property costs	8
9	Multiply line 8 by 30% (0.30)	9
10	Kilowatt capacity of property on line 8 above ► _____ x \$1,000	10
11	Enter the smaller of line 9 or line 10	
12	Credit carryforward from 2015. Enter the amount, if any, from your 2015 Form 5695, line 16	
13	Add lines 6, 11, and 12	
14	Limitation based on tax liability. Enter the amount from the Residential Energy Efficient Property Credit Limit Worksheet (see instructions)	5,970.
15	Residential energy efficient property credit. Enter the smaller of line 13 or line 14. Also include this amount on Form 1040, line 53; or Form 1040NR, line 50	351,075.
16	Credit carryforward to 2017. If line 15 is less than line 13, subtract line 15 from line 13	5,970.

For Paperwork Reduction Act Notice, see your tax return instructions. BAA

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Form 5695 (2016)

Part II Nonbusiness Energy Property Credit

17a Were the qualified energy efficiency improvements or residential energy property costs for your main home located in the United States? (see instructions) ►

17a Yes No

Caution: If you checked the "No" box, you cannot claim the nonbusiness energy property credit. Do not complete Part II.

b Print the complete address of the main home where you made the qualifying improvements.

Caution: You can only have one main home at a time.

Number and street
[REDACTED]

Unit No.
[REDACTED]

City, State, and ZIP code
[REDACTED]

c Were any of these improvements related to the construction of this main home? ►

17c Yes No

Caution: If you checked the "Yes" box, you can only claim the nonbusiness energy property credit for qualifying improvements that were not related to the construction of the home. Do not include expenses related to the construction of your main home, even if the improvements were made after you moved into the home.

18 Lifetime limitation. Enter the amount from the Lifetime Limitation Worksheet (see instructions).

19 Qualified energy efficiency improvements (original use must begin with you and the component must reasonably be expected to last for at least 5 years; do not include labor costs) (see instructions).

a Insulation material or system specifically and primarily designed to reduce heat loss or gain of your home that meets the prescriptive criteria established by the 2009 IECC

b Exterior doors that meet or exceed the version 6.0 Energy Star program requirements

c Metal or asphalt roof that meets or exceeds the Energy Star program requirements and has appropriate pigmented coatings or cooling granules which are specifically and primarily designed to reduce the heat gain of your home

d Exterior windows and skylights that meet or exceed the version 6.0 Energy Star program requirements

19d

19e \$2,000

e Maximum amount of cost on which the credit can be figured

f If you claimed window expenses on your Form 5695 prior to 2016, enter the amount from the Window Expense Worksheet (see instructions); otherwise enter -0-

19f

0.

g Subtract line 19f from line 19e. If zero or less, enter -0-

19g

2,000.

h Enter the smaller of line 19d or line 19g

19h 0.

20 Add lines 19a, 19b, 19c, and 19h

20 0.

21 Multiply line 20 by 10% (0.10)

21 0.

22 Residential energy property costs (must be placed in service by you; include labor costs for onsite preparation, assembly, and original installation) (see instructions).

a Energy-efficient building property. Do not enter more than \$300

22a

b Qualified natural gas, propane, or oil furnace or hot water boiler. Do not enter more than \$150

22b 150.

c Advanced main air circulating fan used in a natural gas, propane, or oil furnace. Do not enter more than \$50

22c

23 Add lines 22a through 22c

23 150.

24 Add lines 21 and 23

24 150.

25 Maximum credit amount. (If you jointly occupied the home, see instructions)

25 500.

26 Enter the amount, if any, from line 18

26

27 Subtract line 26 from line 25. If zero or less, stop; you cannot take the nonbusiness energy property credit

27 500.

28 Enter the smaller of line 24 or line 27

28 150.

29 Limitation based on tax liability. Enter the amount from the Nonbusiness Energy Property Credit Limit Worksheet (see instructions)

29 351,225.

30 Nonbusiness energy property credit. Enter the smaller of line 28 or line 29. Also include this amount on Form 1040, line 53; or Form 1040NR, line 50

30 150.